



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 21, 2002

### **S. 1240**

### **Timpanogos Interagency Land Exchange Act**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on June 5, 2002*

#### **SUMMARY**

CBO estimates that implementing S. 1240 would cost \$9 million over the 2003-2005 period, assuming appropriation of the necessary amounts. The bill would increase direct spending by resulting in the loss of offsetting receipts; therefore, pay-as-you-go procedures would apply, but we estimate that those effects would not exceed \$1,000 annually. S. 1240 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no significant impact on the budgets of state, local, or tribal governments.

S. 1240 would authorize the Secretary of Agriculture to exchange certain federal lands in Utah for privately owned lands in that state. If the value of the lands are not equal, the Secretary could accept or make cash equalization payments. Following the exchange, the bill would direct the Secretary of the Interior to build administrative and visitor facilities on the acquired lands. Under the bill, both agencies would jointly occupy, operate, and maintain the proposed facilities.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

For this estimate, CBO assumes that S. 1240 will be enacted in fiscal year 2002 and that funds necessary to implement the bill will be provided near the start of each year. Estimates of outlays are based on historical spending patterns for similar activities. The estimated budgetary impact of S. 1240 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

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	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION<sup>a</sup></b>					
Estimated Authorization Level	2	5	2	0	0
Estimated Outlays	2	5	2	0	0

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a. Enacting S. 1240 would also have a very small impact on direct spending—an increase of less than \$1,000 a year.

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## **BASIS OF ESTIMATE**

S. 1240 would authorize the Secretary of Agriculture to exchange roughly 266 acres of federal lands in Utah for about 37 acres of privately owned lands in that state. According to the Forest Service, the federal lands that would be exchanged under S. 1240 currently generate less than \$1,000 a year in offsetting receipts (a credit against direct spending) from grazing permits. Hence, we estimate that exchanging the lands would increase direct spending by that amount each year.

S. 1240 would direct the Secretary of the Interior to construct administrative and visitor facilities on the lands acquired by the Secretary of Agriculture. Based on preliminary plans for the proposed facilities provided by the National Park Service (NPS), CBO estimates that building those structures would cost \$9 million over the 2003-2005 period, assuming appropriation of the necessary amounts. Under the bill, the NPS and the Forest Service would jointly occupy the new buildings and share annual costs to operate and maintain them. Based on information from the agencies, we estimate that any increase in federal spending for such costs would not exceed \$200,000 a year.

According to the Forest Service, the agency would probably make payments to the private landowner to compensate for differences in the value of lands exchanged. Based on information from the agency on the estimated value of those lands, we estimate that such payments, which would be subject to appropriation, would be less than \$200,000.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 1240 contains no intergovernmental or private-sector mandates as defined in UMRA and would have no significant impact on the budgets of state, local, or tribal governments.

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